

**FACT SHEET  
HIRSCHVOGEL INCORPORATED  
MARCH 2015**

**I. STATEMENT OF PURPOSE – ENTERPRISE ZONE & JOB CREATION**

The Department of Development recommends an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) years on real property improvements for the purpose of constructing a building addition, creating new employment, and retaining existing employees.

**II. PROJECT HISTORY**

Hirschvogel began in a garage in 1938 and is now one of the largest automotive suppliers in the world for steel and aluminum forging. Headquartered in Denklingen, Germany, the company operates three additional facilities in Germany. It also has operations in India, Brazil, Poland, China and Columbus, Ohio. Hirschvogel currently employs over 4,000 people throughout its entire operation. The Columbus operation, Hirschvogel Incorporated, manufactures warm and cold forgings and steel forming for the North American automotive tier 1 suppliers and for the original equipment manufacturers (OEMs). The facility in Columbus was purchased by Hirschvogel in 1988 and has 322 employees currently. Hirschvogel Incorporated is a subsidiary of Hirschvogel Holding GmbH.

Hirschvogel is currently facing strong competition in the United States. To remain competitive and viable in the US, the company must expand its production capacity. Hirschvogel proposes to invest a total of \$50,350,000, with \$14.7 million toward a 65,000 s.f. expansion and over \$35 million in the acquisition of machinery and equipment. A total of 37 new full-time permanent positions will be created with an annual payroll of approximately \$1.3 million, and 322 positions will be retained.

Hirschvogel Incorporated is requesting an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) years to assist in the development of this project.

**III. PROJECT INVESTMENT**

Acquisition of buildings	\$14,700,000
Machinery & Equipment	\$35,500,000
Land acquisition	\$150,000
<b>TOTAL INVESTMENT</b>	<b>\$50,350,000</b>

**IV. DECISION & TIMING**

Real property improvements are expected to begin April 2015 with a scheduled time of completion of December 2017, contingent upon Columbus City Council approval of the recommended tax incentive.

V. **EMPLOYMENT**

The project will create 37 new full-time permanent positions with an estimated new annual payroll of approximately \$1.3 million. A total of 322 positions will be retained with a total annual payroll of approximately \$14.35 million.

<b>Position Title</b>	<b>Number of New Jobs</b>	<b>Average Hourly Rate</b>	<b>Average Annual Salary</b>	<b>Total Estimated Payroll for New Positions</b>
Material Handlers	16	\$13.00	\$27,040	\$432,640
Admin.Asst/Coordinator	2	\$14.90	\$31,000	\$62,000
Tool Assembler	3	\$15.19	\$31,600	\$94,800
Machinist	1	\$15.38	\$32,000	\$32,000
Technician/Supervisor	2	\$16.83	\$35,000	\$70,000
Materials Engineer	1	\$18.27	\$38,000	\$38,000
Maintenance Tech	2	\$19.71	\$41,000	\$82,000
Mfg. Engineer/Supervisor	2	\$20.67	\$43,000	\$86,000
Maintenance Tech	1	\$21.63	\$45,000	\$45,000
Engineer PD	1	\$22.60	\$47,000	\$47,000
Engineers	2	\$23.08	\$48,000	\$96,000
Supervisor MM	1	\$23.56	\$49,000	\$49,000
Technical Purchaser	1	\$24.04	\$50,000	\$50,000
Planner MM	1	\$26.44	\$55,000	\$55,000
Project Manager	1	\$31.25	\$65,000	\$65,000
<b>TOTALS</b>	<b>37</b>			<b>\$1,304,440</b>

The proposed project site is 2230 S. Third Street, Columbus, Ohio 43207 and includes several parcels and has accessibility by public transportation (Central Ohio Transit Authority).

Benefits provided to employees of Hirschvogel Incorporated include:

- Paid Holidays
- Paid Vacation/Personal Days
- Vacation Pay
- 401K Retirement Plan
- Annual Bonus
- Medical/Dental Insurance
- Employee Uniforms
- Disability Pay
- Employee Discounts
- Training & Education

Benefits begin 60 days after date of hire.

**VI. REQUESTED PUBLIC PARTICIPATION**

The Department of Development recommends an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) years on real property improvements for the purpose of constructing a 65,000 s.f. building addition and acquiring new machinery and equipment.

**VII. WORKFORCE DEVELOPMENT**

Employers granted a tax incentive will meet with the Central Ohio Workforce Investment Corporation (COWIC) to develop a relationship to assure continuing employment opportunities for Columbus residents who are unemployed or underemployed.

**VIII. NEW TAX IMPACT: ANNUAL & 10-YEAR SUMMARY**

<b>Unabated Revenue</b>	<b>Average Annual</b>	<b>10-year Summary</b>
A. Real Property Tax Revenue	\$411,766	\$4,117,660
B. New City Income Tax Revenue	\$32,611	\$326,110
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$444,377	\$4,443,770

<b>Incentive</b>	<b>Average Annual</b>	<b>10-year Summary</b>
D. Total Proposed Tax Abatement 75%/10 years on Real Property	\$308,824	\$3,088,240
E. Total Revenue of Tax Abatement (i.e., C.-D.)	\$135,553	\$1,355,530

<b>School District Impact: Columbus School Board of Education</b>	<b>Average Annual</b>	<b>10-year Summary</b>
F. Existing School District Revenue from Real Property at site	\$67,675	\$676,750
G. New Revenue as a Result of the Proposed Project (post abatement)	\$71,565	\$715,650
H. Total School District Revenue (i.e., F. + G.)	\$139,240	\$1,392,400

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**IX. TAX BENEFIT**

The recommended Enterprise Zone Tax Abatement could yield a tax savings of approximately \$3,088,240 over the incentive term of ten (10) years. City of Columbus Schools are estimated to receive an additional \$715,650 over the term of the abatement, as a result of the project.

**X. AREA IMPACT/GREEN INITIATIVES**

Hirschvogel recycles and has invested in an energy efficient compressor.